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CENTRAL INTELLIGENCE AGENCY
BOARD OF NATIONAL ESTIMATES

7 October 1952

MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT: SE-33: Prospects for Survival of Mossadeq Regime
in Iran

1. The attached draft estimate has been approved by the Board of National Estimates pursuant to a consideration of it by the IAC representatives.

2. This estimate has been placed on the agenda of the IAC meeting scheduled for 10:30 Wednesday, 8 October.

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Executive Secretary

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CENTRAL INTELLIGENCE AGENCY

7 October 1952

**SUBJECT: 3E-33; PROSPECTS FOR SURVIVAL OF MOSSADEQ
REGIME IN IRAN**

ESTIMATE

THE OIL ISSUE

1. An early settlement of the oil dispute with the UK is unlikely. Political forces which Mossadeq himself encouraged in the past now require him to insist upon greater concessions than the British have given any indication of finding acceptable. On the other hand, Mossadeq's prestige would be greatly enhanced if he succeeded in effecting the sale of oil despite the British boycott. It is possible that he will effect such sale, to non-Soviet countries, in significant quantities.

THE ECONOMIC SITUATION

2. The loss of oil revenues has not seriously damaged the Iranian economy, primarily because of an excellent harvest, although there have been some price increases, curtailment of urban business

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activities, and reduction of imports. However, the financial position of the government has been seriously affected. Unless the government restores revenues from the sale of oil, substantial budgetary cuts and/or extensive internal borrowing and further currency expansion are inevitable.

BALANCE OF POLITICAL POWER

3. a. Recent events have produced far-reaching changes in the traditional political balances of power in Iran. As a practical matter, the Shah has almost completely lost his capability for independent action, but is a useful tool for Mossadeq, should need arise. The formerly dominant landowning class has also lost political initiative. The Army, if given effective direction, is probably capable of coping with any type of domestic disturbance presently foreseeable. We do not believe that its effectiveness has been materially reduced by Mossadeq's changes in the high command. Mossadeq's popular prestige makes him still the dominant political force in Iran.

b. A major threat to Mossadeq's continued control over the heterogeneous National Front arises from the

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activities of Mullah Kashani, ambitious Moslem leader. Kashani's extreme intransigence on the oil issue and his uncompromising demands for the termination of all foreign interference in Iran severely limits Mossadeq's freedom of action. He has successfully separated many National Front politicians from Mossadeq. Although Kashani has expressed optimism publicly with respect to his ability to control Tudeh, he is basically opposed to their aims, probably can weigh with shrewdness and accuracy the potential value and danger to him of Tudeh support, and is not likely under present conditions to seek their help.

- c. While the Tudeh Party has become stronger in recent months, it is almost certainly incapable by itself of overthrowing the government by force or subversion at present. Although the Tudeh Party has an organization, has partially infiltrated government organizations (strongest in Communications), has a significant degree of favorable public opinion, and has the cooperation of the USSR, it still lacks

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the power in the Majlis and control of the key Cabinet positions which would be necessary to take over the government by constitutional means. The Tudeh Party will, however, probably support Kashani in the belief that if Kashani were in power its opportunities for taking over the country would be improved.

LIKELIHOOD OF AN ATTEMPT TO OVERTHROW MOSSADEQ

4. Since Mossadeq's return to power in July 1952 there have been continuous reports of plots to overthrow him. Kashani and Army officers are frequently mentioned as leaders, but the reports conflict on matters of essential detail. It does not seem likely that Kashani will seek to replace Mossadeq so long as no clear issues of disagreement arise between them, so long as his influence on Mossadeq remains strong, and so long as Mossadeq is willing to assume responsibility. So far as a military coup is concerned, we have no evidence to indicate that any group of officers has the capability which the initiation of a successful coup would require.

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PROBABLE OUTCOME OF AN ATTEMPT TO OVERTHROW MOSSADEQ

5. In the event that an attempt is made to overthrow Mossadeq, the following means are available:

a. Violent Means:

- i. Military Coup: A military coup against Mossadeq is not likely to succeed because Mossadeq has had the opportunity to eliminate elements in the Army hostile to him, and none of the Army personnel reported as currently being involved in plots against Mossadeq are believed to have the prestige or influence to obtain the necessary support from the Army.
- ii. Mob Violence: A contest in the streets between the forces supporting Mossadeq and Kashani would be bitter and destructive. The lineup of forces would depend in large part on the specific issues involved at the time the rioting broke out. If there should be a break now between Mossadeq and Kashani, we believe that Mossadeq could rally greater forces than Kashani. The lineup would probably be as follows:

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(a) Mossadeq: the bulk of the National Front rank and file in the cities; Dr. Baghai's Iranian Workers' Party with their organized street fighting forces; the Somka (Fascist) Party, provided the Tudeh supported Kashani; the Pan Iranian Party; and the Army and part of the Police force, providing they were given specific and direct orders.

(b) Kashani: his followers in the National Front; the Bazaar mobs and the bands organized by his son; the Fedayan terrorist organization of Moslem extremists; the Tudeh and its various subsidiaries; and possibly some support from the tribes if the Army sided with Mossadeq.

iii. Assassination: Assassination of Mossadeq would probably result in the accession to power of Kashani. (Note: Kashani would probably also come to power if Mossadeq should retire or die a natural death.)

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- b. **Constitutional means:** An attempt may be made to overthrow Mossadeq after the Majlis reconvenes on 9 October. It appears unlikely that Kashani could persuade the Majlis to vote to oust Mossadeq in view of the absence of any issue which could serve as a basis for attacking Mossadeq, the resources at Mossadeq's disposal for controlling the deliberations of the Majlis and Mossadeq's record as champion of nationalist aspirations.

CONSEQUENCES OF THE ASSUMPTION OF POWER BY KASHANI

6. If Kashani were to come to power, the consequences would depend upon the circumstances of the take-over and upon the group or groups supporting him at that time. The types of regimes which might evolve would include:

- a. Kashani might come to power by a vote of the Majlis unseating Mossadeq. However, Mossadeq in opposition would possess much of the strength which enabled him to regain power in July 1952, and his return to office would not be unlikely.
- b. Kashani might be able to assume control over another National Front regime if Mossadeq were removed from

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the political scene. In that event, such a regime would be more difficult than the present one to deal with on the oil dispute and more resistant to Western influence. The effectiveness of the government and security forces would gradually decline, as would the economic situation. These developments would probably result in the eventual assumption of power by the Tudeh Party.

- c. Kashani might come to power following a deal with the Tudeh Party by which Tudeh was given representation in the government. Such an eventuality would present favorable opportunities either for the gradual assumption of power by the Communists or for the take-over of the government by conservative and/or Army leaders.
- d. Kashani might come to power by forming a coalition with various disgruntled Army leaders and conservative elements. We believe this is the least likely way for Kashani to come to power and that such a coalition would almost certainly not survive.

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